## **REMARKS**

The May 28, 2008 Office Action regarding the above-identified application has been carefully considered; and the claim amendments above together with the remarks that follow are presented in a bona fide effort to respond thereto and address all issues raised in that Action. The independent claims have been amended to more clearly distinguish over applied art. Dependent claim 22 is cancelled in view of the addition of similar recitations to each of the independent claims. Care has been taken to avoid entry of new matter. For reasons discussed below, it is believed that this case is in condition for allowance. Prompt favorable reconsideration of this amended application is requested.

## Summary of Issues Raised in the Action

Claims 1, 2, 4-8 and 12-24 were addressed in the Action.

Claims 1, 2, 4-8 and 12-23 were rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Publication No. 2003/0005135 to Inoue et al. (hereinafter Inoue) in view of U.S. Publication No. 2004/0193680 to Gibbs et al. (hereinafter Gibbs) and in view of U.S. Publication No. 2004/0034786 to Okamoto et al. (hereinafter Okamoto).

Claim 24 was rejected under 35 U.S.C. §103(a) as unpatentable over Inoue et al. in view of Gibbs and Okamoto taken further in view of U.S. Publication No. 2002/0007351 to Hillegass et al. (hereinafter Hillegass).

These art rejections are traversed.

## **Patentability**

It is respectfully submitted that neither of the combinations proposed in the art rejections would actually satisfy all of the requirements of any of Applicants' independent claims. Hence,

the independent claims (and through them, the dependent claims) all patentably distinguish over the applied art.

Consider claim 1 by way of example. The claim relates to a license management system comprising a license server and a terminal. With regard to the server, the claim includes *inter alia* the following recitations:

said server including:

a first memory unit for storing a first license which includes both a content key for decrypting content and a first use condition, wherein said first use condition includes an expiration date/time for content;

an issuance unit for, according to a request from said terminal, issuing a second license which includes a second use condition set such that a value of said second use condition is within a value of said first use condition of said content, wherein said second use condition includes an expiration date/time for said terminal which is within said expiration date/time for content;

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a second memory unit for storing information on said second license which includes said expiration date/time for said terminal which is included in said second use condition and a return mode flag which indicates automatic return or return required; and

a return control section for determining whether or not said return mode flag indicates said automatic return and said expiration date/time for said terminal has passed, and for automatically restoring to a return state of said second license when said return mode flag indicates said automatic return and said expiration date/time for said terminal has passed, even if no second license is returned from the terminal to the server, so that said issuance unit can issue said second license for another terminal;

wherein said return control section in said server restores a number of simultaneous issues of said first license when said return control section automatically restores to said return state of said second license, and

wherein said return control section in said server deletes said information on said second license in said second memory unit without restoring said number of simultaneous issues of said first license when said second license which is returned from said terminal after said expiration date/time for said terminal has already been automatically returned by said server.

Hence, claim 1 specifically requires that the a first memory unit stores a first license (e.g. the original license that defines overall licensing terms). The first license includes a first use condition comprising an expiration date/time <u>for content</u>. The issuance unit issues a second license (e.g. a temporary license issued to a terminal) according to a request from the terminal. The recited second license (requested by the terminal) includes a second use condition set such that a value thereof is within a value of the first use condition of the content. For example, the recited second use condition includes an expiration date/time for the terminal, which is within the expiration date/time for the content (that is to say within the expiration date/time of the content, as in the first use condition of the first license). For example, the expiration date/time of the temporary license for the particular terminal will be not longer than the maximum expiration date/time set by the overall licensing terms (first license).

Claim 1 also requires (1) an automatic restoration of a return state of the second license if the terminal does not return that license, which results in a restoration of the number of simultaneous issues of the first license, as well as (2) deletion of the information on the second license from the second memory unit without restoring the number of simultaneous issues of the first license when the terminal returns the second license after the expiration date/time, that is to say when the terminal returns a second license that has already been automatically returned by the server.

Although the scope varies somewhat in the server claim (2) and the terminal claim (16), both of the other independent claims do include recitations generally similar to those discussed above relative to the server in the system of independent claim 1. It is respectfully submitted that the art does not teach the subject matter of any of the independent claims, for example, the combination of an automatic restoration if the terminal does not return the second license, which results in a restoration of the number of simultaneous issues of the first license, as well as

deletion of the information on the second license without restoring the number of simultaneous issues of the first license when the terminal returns a second license that has already been automatically returned by the server.

The first art rejection (over Inoue, Gibbs and Okamoto) acknowledges that Inoue does not disclose the second memory unit for storing information on the second license that includes an expiration date/time for said terminal and a return mode flag which indicates automatic return or return required. The rejection also acknowledges that Inoue does not disclose the return control section in the server (as recited in the previous claim set) for automatically restoring the second license to a return state and restoring the number of simultaneous issues of the first license when it automatically restores the second license to the return state. The rejection cites Gibbs for a general teaching of an automatic return based on occurrence of a condition, but then the rejection states that the combination of Inoue and Gibbs still fails to meet the second memory unit and return control section recitations. From a comparison of the statement of the difference over Inoue alone (starting near the bottom of page 6 of the Action) to the statement of the difference over Inoue in combination with Gibbs (starting near the bottom of page 6 of the Action), it appears that Gibbs adds little or nothing to the clearly distinguished disclosure of Inoue with regard to the subject matter claimed. The first statement regarding Inoue alone indicates that Inoue does not teach performing a number of the functions "automatically" whereas the second statement indicates that the combination Inoue and Gibbs still does not perform those functions (albeit without the reference to "automatically"). Whether automatic or not, the Examiner apparently views the combination of Inoue and Gibbs as still not really teaching the second memory unit and the return control section in the server and the associated functions regarding return and restoration after expiration (without actual return).

It appears that Gibbs in fact provides only a very general teaching and is of little or no relevance, particularly in the portions thereof upon which the rejection relies. Gibbs refers to an "automatic return," which may occur after and predetermined time or upon other conditions (see paragraphs 0098 and 0099). However, in Gibbs the originating and receiving devices may store the transfer of the license, and Gibbs only vaguely explains the actual return function in the statement that "[b]y storing the transfer information of the license, the license may be returned to the originating device" (paragraph 0110). Such a vague disclosure of automatic return, e.g. upon passage of time, would not particularly teach one of skill in the art to implement return and/or restoration (even without return) in the manner claimed.

Even if Okamoto teaches everything that the Examiner attributes to that reference (which Applicants still dispute), that is not enough to meet Applicants' amended claims. Each independent claim requires that the return control section in the server deletes the information on the second license, without restoring the number of simultaneous issues of the first license, when the second license which is returned from the terminal after the expiration date/time for the terminal is one that has already been automatically returned by the server. It is respectfully submitted that Okamoto does not disclose that a license is returned by an element in the server, in the event of an expiration without return from the terminal. Gibbs general disclosure of an "automatic return" does not add anything relevant on this point. The Action instead cited paragraph 0163 of Inoue with regard to the recitation on this point, which previously appeared in claim 22. That paragraph of Inoue teaches that:

... when the date described in the terminal registration expiration date 2302 expires, the temporary user's ID 2310 registered in the terminal information 300 in the terminal information database 112 is deleted. The temporary usage restriction 2300 corresponding to the terminal ID 301 registered in the temporary usage restriction database 2214 and the temporary user's ID 2310 is also deleted.

However, such a teaching of deletion at expiration does not teach the actual requirement of the claims. That is to say, deletion from databases when the date described in the "terminal registration expiration date" expires would not satisfy the claim requirements for the return control section in the server to delete the information on the second license "without restoring said number of simultaneous issues of said first license" when the second license which is returned from the terminal after expiration date/time for the terminal "has already been automatically returned by said server."

None of the other documents cited in the rejections were relied on in relation to this claim requirement, and it is believed that none of the other references would make up for this distinction. As noted, Gibbs and Okamoto do not teach this claim requirement, and Hillegass is cited only for a teaching of a limit on the number of restorations. Hence, even if Gibbs and Okamoto or Gibbs, Okamoto and Hillegass are added to Inoue, the result would still not meet the claim requirement that the return control section in the server deletes the information on the second license, without restoring the number of simultaneous issues of the first license, when the second license which is returned from the terminal after the expiration date/time for the terminal is one that has already been automatically returned by the server.

Hence, neither combination proposed in the rejections in the latest Office Action meets all of the requirements of any of Applicants' independent claims. All of the claims therefore should be patentable, and the art rejections should be overcome.

It is respectfully submitted that the dependent claims recite additional distinguishing features. For example, claims 19 and 20 require the server to determine and set the return mode in response to a request from a terminal. Claim 19, for example, recites that the issuance unit determines whether or not a return mode flag included in the request from the terminal matches the return mode flag in the second memory unit. The issuance unit then sets the return mode flag

included in the request from the terminal into the second license if there is a match, whereas the issuance unit sets a return mode flag of the first license into the second license when a return reject flag included in the request from the terminal is a predetermined value if there is no matching. In claim 20, the issuance unit sets a value of a return inhibit flag included in the request from the terminal into the second license if a return inhibit flag of the first license and a return inhibit flag included in the request from the terminal satisfy a predetermined condition. However, the issuance unit sets a value different from the value of a return inhibit flag included in the request from the terminal into the second license, in the event that the return inhibit flag of the first license and the return inhibit flag included in the request from the terminal does not satisfy the predetermined condition and a return reject flag included in the request from the terminal is a predetermined value. In claim 20, the return inhibit flag of the first license indicates return required or return inhibited. It is submitted that the applied art does not suggest these requirements. It is believed that Inoue and Okamoto disclose that a return mode is determined based on a license condition that is set in a server, not that such a mode may be determined based on a request from a terminal. Gibbs' general teaching of an automatic return and/or Hillegass' teaching of a limit on the number of restorations would not lead to a modification in which the server (e.g. the issuance unit therein) would determine the return mode based on a request from a terminal. In view of these additional distinctions, claims 19 and 20 should be patentable over the combinations proposed in the art rejections.

## **Conclusions**

Upon entry of the above claim amendments, claims 1, 2, 4-8, 12-21 and 24 remain active in this application, all of which should now be patentable over the art applied in the Action. Applicants therefore submit that all of the claims are in condition for allowance. Accordingly,

this case should now be ready to pass to issue; and Applicants respectfully request a prompt

favorable reconsideration of this matter.

It is believed that this response addresses all issues raised in the May 28, 2008 Office Action. However, if any further issue should arise that may be addressed in an interview or by an Examiner's amendment, it is requested that the Examiner telephone Applicants'

representative at the number shown below.

To the extent necessary, if any, a petition for an extension of time under 37 C.F.R. § 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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